

**Lawrence Berkeley National Laboratory
Contract Assurance Council
Quarterly Meeting Minutes**

**Wednesday, April 11, 2007
Lawrence Berkeley National Laboratory
50A-4132**

CAC members or representatives present:

Bob Foley	Larry Coleman	John Layton
Bob Van Ness	Judy Ackerhalt for Judy	Bill Eklund for Jeff Blair
Buck Koonce	Boyette	
John Oakley	Al Diaz	

CAC members absent:

Gary Falle for Bruce	Anne Broome
Darling, by phone	Patrick Reed
John Birely	

UCOP Staff:

Jim Hirahara	Ron Nelson, by phone
Sharon Eklund	Susan Thomas

Guest participants:

David McGraw, LBNL	Harry Reed, LBNL	Michelle Flynn, LBNL
Howard Hatayama, LBNL	John Chernowski, LBNL	Melanie Gravois, LBNL
	Ira Nishibayashi, LBNL	

Welcome/Action Items

Bob Foley welcomed members and guests to the Contract Assurance Council (CAC) quarterly meeting. Jim Hirahara reviewed the open action items:

- Item 28—John Chernowski indicated that he would report on Ira Nishibayashi's review of changes to the signature authority-related systems at a future meeting.
- Item 29—Ron Nelson commented that he is part of a working group that is discussing how work can be conducted in compliance with contract requirements. Dave McGraw will work with Jeffrey Fernandez to modify the action item appropriately.

The Council unanimously approved the minutes of the March meeting subject to clarification of Action Item 29.

Results of Employee Survey

David McGraw introduced Harry Reed, LBNL Ombudsman and director of the Workforce Diversity Office. Reed explained that Director Chu created the Best Practices Diversity

Council (BPDC) with a cross-functional membership to advise him on issues related to diversity. The BPDC developed principles of a diverse community and suggested that an appropriate method for determining whether the principles are applied at LBNL would be to conduct an employee survey. The survey subsequently became the subject of a contract performance measure. Ultimately, 74% of the LBNL career employees provided a response to the survey. LBNL created the survey instrument in house for on-line administration, but the responses were sent directly to an external third party for analysis. Management studied 2500 written responses separately and provided feedback to the staff in the form of articles and data available on line. McGraw held three “brown bag” sessions with employees to discuss the survey results. The response to one series of questions indicated that employees believe that managers are sincere in their efforts to create a physically safe workplace. Employees also expressed a strong interest in having a childcare facility available. LBNL recognizes that availability of childcare would be a key element for improving recruitment and retention, but an earlier proposal to BSO for such a facility failed. The CAC suggested consideration of adapting an older facility or renting one as alternatives to building a new facility.

As a result of the survey responses, LBNL management is developing details for an improved communications plan and changes to the performance management system. The scientific staff provided largely positive feedback to recent changes in policy targeted at recruiting and retaining scientists. The only discordant note related to this topic was the expressed desire to keep the title of Staff Scientist, as it is much more recognizable to those coming from other academic institutions. Management has also decided to develop a Lab-wide diversity plan to replace the individual division plans. Director Chu personally read every written comment. In terms of the issue of accountability, LBNL is improving supervisors’ and management training and the performance management system. Senior management is also working on how to address issues associated with development and advancement of non-scientific staff and how to create career paths for them. (40% of the non-scientific staff is part of a collective bargaining unit.) John Oakley suggested that McGraw should explore the possible availability of matching childcare facility funds from UC Office of the President.

PEMP Quantitative Risk Analysis

John Chernowski introduced the staff of the LBNL Office of Contract Assurance (OCA) to the CAC:

- Melanie Gravois is an ESH Assurance Program Manager responsible for the issues management database.
- Michelle Flynn is also an ESH Assurance Program Manager and working now on the technical assurance program.
- Ira Nishibayashi is the Business Systems Assurance Program Manager. He is very familiar with the CFO policies and is responsible for financial assurance.

The charter for the OCA is to provide assurance across all Operations areas. They are using ESH as a pilot for some of the assurance systems currently being developed.

Chernowski presented to the CAC the first quarter sensitivity analysis for the Performance Evaluation and Measurement Plan (PEMP) results. The first time management reviewed the analysis results, Property Management forecast a strong possibility of earning only 18 of the 40 possible points. Laboratory management attention and focus resulted in property management performance improving to a level of 33 out of 40 points. In terms of the very high expectations for DART and TRC rates, LBNL management is working with BSO to try to identify new targets given that DOE/SC has delegated the authority to make changes to the site offices. They are also considering changing the weightings associated with the DART and TRC measures, hoping to allocate more relative weight to leading rather than lagging indicators.

Issues Management Program

Chernowski explained that the Issues Management Program started as management of corrective actions but has expanded. The OCA is currently defining the universe of what is to be included in the program and then assigning a level of risk to each element. The CAC discussion included the following topics not included in the formal presentation:

- LBNL performs formal root cause analysis only on significant events, and they are refining their graded approach.
- The effectiveness review includes testing and validating corrective actions for level of effectiveness.
- Larry Coleman suggested that McGraw talk to Grace Crickette, UCOP, about the availability of risk management system-wide software.
- McGraw and Jim Krupnick are representatives to the National Laboratories Improvement Council and are connected with developments associated with the DOE contractor assurance order.

McGraw stated that he believes that the LBNL Office of Institutional Assurance has been successful in demonstrating its value to the Laboratory.

ISSM Corrective Action Plan

McGraw explained that he and Howard Hatayama have scheduled a meeting with Healthworks and Octagon to discuss medical care delivery. They also are planning for the in-house medical provider to administer more care and to review all referrals to outside care. They have made certain that the BSO Manager understands that the preponderance of reportable incidents is of an ergonomic nature (at least some of which may result from endeavors unrelated to the workplace).

The Laboratory has culled earlier corrective actions (CAs) into seven key actions, including

- Developing safety management responsibilities and tools for work leads;
 - Restructuring the Laboratory EHS document hierarchy for ease of use and consistency;
 - Modifying the EHS Division's role as service provider to the institution (providing expert advice and support) to include assurance activities (and compliance officers).
- The CAC discussed what is involved in CA validation, including the idea of the

Audits and Assessments group validating CA completion and the Assurance team validating effectiveness of the CA. The CAC advised that it is essential that the institution understand the conflicting roles of the EHS Division—compliance and advice. This will be a critical element of whether the first contract extension is earned. The CAC advocated the idea of using third-party validation and discussed recommending it to the BSO Manager.

- Performing job hazard analysis. LBNL is currently running six pilots to refine the work authorization process.
- Clarifying the LBNL relationship with UCB. The Energy Biosciences Institute (EBI) work is helping, as is the existence of the Collaboration Steering Committee. BSO wants assurance that LBNL work being performed on campus is performed safely.

Energy Biosciences Institute

Bill Eklund, UCOP counsel, reported on two working groups on which he participates related to the EBI project. One group is focusing on the details of the master agreement between UCB, University of Illinois-Champaign-Urbana (UICU), and British Petroleum. The second group is focusing on facilities and the nuances of financing them. The liability for clean-up costs in Calvin Hall is slowing the process of making the hall available for the project. UICU has obtained permission to move ahead with planting switchgrass crops even though the agreement is not complete.

Executive Session

The meeting concluded with a closed session for Council members and UC staff.

Action Items:

<i>#</i>	<i>Responsible Party</i>	<i>Action</i>	<i>Date Added</i>	<i>Status</i>
28	Chernowski LBNL	Review all changes in the signature authority-related systems	01/10/07	OPEN
29	Fernandez LBNL	Determine if work is performed in UCB space that is required to be performed at the Lab, in violation of contract or appropriation provisions. (Using Contract 31 funding to perform work in UCB lab space [rather than in more costly LBNL space] does not constitute a cost accounting standard violation.)	01/10/07	OPEN
30	McGraw LBNL	Contact UCOP regarding availability of matching funds a child care facility	04/18/07	OPEN

31	McGraw LBNL	Contact Grace Crickette, UCOP, regarding the availability of site-wide risk-management software	04/18/07	OPEN
32	Hatayama LBNL	Explore with BSO the possibility of using third-party validation of the key seven CAs	04/18/07	OPEN
		<i>On-going Actions</i>		
5	Eklund UCOP	Schedule a ten-minute Executive Session at the close of each CAC quarterly meeting.	04/12/06	Quarterly Action
6	Eklund UCOP	Schedule quarterly CAC meetings to be held at LBNL.	04/12/06	Quarterly Action
7	Hirahara UCOP	Implement a call for agenda topics prior to each meeting.	04/12/06	Monthly Action
22	Fernandez LBNL Broome UCOP	<ul style="list-style-type: none"> • Report quarterly on supply chain initiative planned cost savings versus actual. • Report on discussion regarding LBNL and UCOP purchasing alignment and economies of scale 	06/14/06	Quarterly Action

		<i>Completed or Cancelled Actions</i>		
1	Chernowski LBNL	Modify Risk Registry report to include a column in which BSO concurrence with the current status of the item can be indicated.	04/12/06	Cancelled
2	Chernowski LBNL	Plan C31 Risk Registry updates for the quarterly meetings and as-needed at the monthly meetings.	04/12/06	Done—next report at 07/12 meeting
3	Fernandez LBNL	Brief the Council on how LBNL is tracking cost savings and the current status.	04/12/06	Done—held on 6/14
4	Chernowski LBNL	Schedule a dry run of the presentation to senior LBNL and BSO management of second quarter performance. (UC-internal only).	04/12/06	Done—held on 05/02
8	Merola LBNL	Provide the Council with the number of LBNL PIs working with controlled substances.	05/10/06	Done—presented on 6/14
9	Merola LBNL	Provide the Council with the quantity of controlled substances ordered by LBNL annually.	05/10/06	Done—presented on 6/14
10	Merola LBNL	Provide the Council with the number of discrete locations where controlled substances are handled at LBNL.	05/10/06	Done—presented on 6/14
11	Hatayama LBNL	Personally review LBNL controlled substance and drug precursor processes and personnel to assure appropriate controls are in place—report back to CAC.	05/10/06	Done—presented on 6/14
12	Hatayama LBNL	Personally review LBNL select agent processes and personnel to assure appropriate controls are in place—report back to CAC.	05/10/06	Done—presented on 11/08
13	Eklund UCOP	Add <i>Select Agents</i> as a topic to a future CAC agenda.	05/10/06	Done—presented on 11/08
14	Eklund UCOP	Add <i>Accounts payable</i> as a topic to a future CAC agenda.	05/10/06	Done—presented on 7/12
15	Krupnick LBNL	Provide CAC with further detail on the thorium inventory and reportability.	05/10/06	Done—presented on 7/12
16	Merola LBNL	Provide LBNL Advisory Board report to CAC when complete.	05/10/06	Done—presented on 8/9
17	Hirahara	Invite Aundra Richards to 07/12 Quarterly	05/10/06	Done—

	LBNL	CAC Meeting.		discussed on 6/14
18	Koonce LBNL	Identify the UCOP senior management “owner” of the LBNL bonding issue.	05/10/06	Done—presented on 6/14
19	Merola/ Burnside LBNL	<ul style="list-style-type: none"> Define operational requirements and associated agreements in regard to LBNL research on UCB campus. This includes ES&H and other operational requirements. Share results of the upcoming meeting of the Burnside Committee. 	06/14/06 (modified 10/11/06)	Done—presented on 12/13
20	Merola LBNL	Explain how LBNL manages Principal Investigators.	06/14/06	Done—presented on 9/13
21	McGraw/ Hatayama LBNL	Report on controlled substances process improvements.	06/14/06	Done—held on 01/10
23	Koonce/ Eklund UCOP	Provide Susan Thomas, UC-GC, a copy of the policy and procedures regarding who in Purchasing should have access to the vendor master.	07/12/06	Done—sent on 07/19
24	Krupnick LBNL Nelson UCOP	<ul style="list-style-type: none"> Provide further detail on LBNL Advisory Board report (independent operating ventures and need for review of oversight mechanisms references). Provide written response regarding operating ventures. Discuss UCOP plan for oversight 	08/09/06 (modified 10/13/16)	J. Krupnick verified that the Board was referring to the LLC when using the term “independent operating ventures.” Done—held on 01/10
25	McGraw LBNL	Provide Council members with the LBNL pie chart that indicates how many PIs are from various campuses and other universities.	09/13/06	Done—presented on 12/13
26	McGraw LBNL	Provide progress report on consolidation of authorities project and milestones for project completion.	09/13/06	Done—held on 01/10
27	McGraw LBNL	Supply the Council members with a copy of the address Director Chu sent to LBNL PIs on the subject of their responsibilities.	09/13/06	Done—sent with September meeting

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